



Autonomous Fund Management

December 2022 Newsletter

Introduction

Autonomous Fund Management (AFM) is a portfolio and fund-management procedure designed for the digital marketplace. Instead of relying on traditional research and analysis, it depends on mathematics and safety nets to obtain better and more stable results.

AFM uses available technology including streaming quotes, api-links and cloud-computing to manage portfolios in a more stable environment.

AFM works directly on the user's account which remains the exclusive property of the investor.

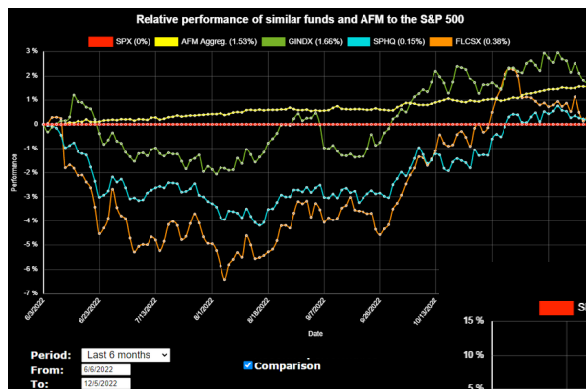
An explanation of the AFM procedure can be found under [afmsa.ch](#) > [Concept](#)

See page 3 for monthly performance figures since inception.

The following features have largely contributed to AFM's overall performance since inception in 2019

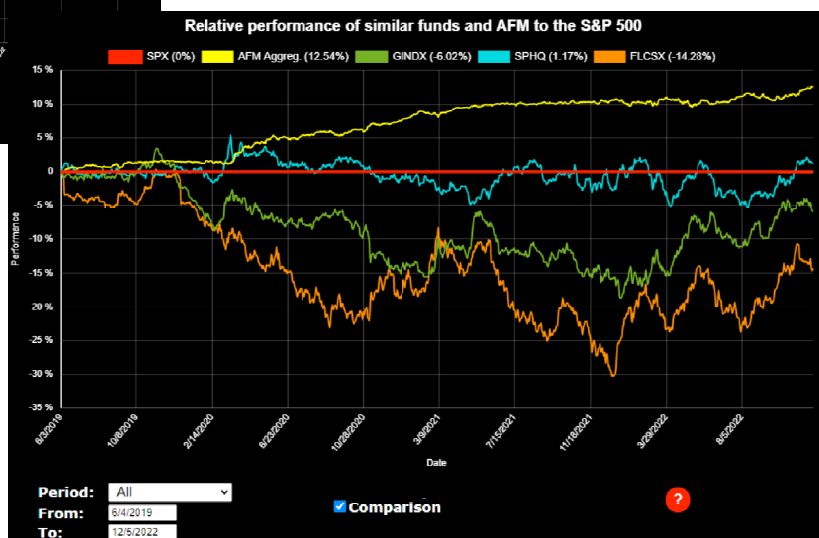
1. - Safety

How secure is a portfolio managed by a computer? When developing the application all necessary safety measures were included. Funds under control of the AFM application have never experienced any form of uncommon behavior.



AFM aggregate performance over 6 months

Due to their configuration, accounts react more like an Index fund than of a traditional mutual fund.



.... since inception

2.- Performance

AFM's objective is to outperform the market on a daily basis in small increments. Evolving no more than 0.01% - 0.1% around the average might sound irrelevant however they add up over a year to outperform the index

2022 has so far again provided solid results with live accounts outperforming the S&P index by 1.8% or approx. \$390'000 this year, up from \$254'000 or 1.75% for the whole of 2021.

AFM has not underperformed the index during the last 13 months, the best record since it's inception. Fine-tuning the application has allowed AFM to continuously improve stability and performance.

3.- Ultimate safety feature

Can the account holder act directly on his account by using the AFM platform? Yes, however it is a procedure of last resort and should never be used.

At the bottom right hand of the "Intraday" screen are the following messages which allow the account owner to directly intervene and override AFM control.

Stop AFM stops trading. Securities held in the portfolio at that particular moment remain unchanged. AFM is deactivated.

Stop AFM and sell all sells all position in the portfolio at market within seconds. Only cash will remain in the account.



Both actions halt the AFM procedure. Portfolios would probably not suffer extensive losses.

Overriding AFM is a personal decision taken by the account owner and is explained in the AFM convention.

Prior to any action being taken and for added safety, clicking on either of the 2 procedures will generate an e-mail from AFM requesting a password.


New Intraday feature:

Intraday performance is automatically updated every 5 minutes.

Next update in:

4
MINUTES

34
SECONDS



No need to refresh when the Intraday screen is open.

Scanning the QR code opens Intraday.

Monthly performance figures June 2019 - November 2022

| AFM performance vs S&P500 Index | | | | | | | | | | | | | |
|---------------------------------|-------|-------|--------|-------|------|-------|------|-------|-------|-------|-------|-------------|-------------------------|
| | 2019 | | | | | | | | | | | | \$ outperf. |
| | J | J | A | S | O | N | D | | | | | | |
| AFM | 7.6% | 2.1% | -2.8% | 2.2% | 2.7% | 3.2% | 2.3% | | | | | | \$27'535 |
| SPX | 7.2% | 1.9% | -2.9% | 1.8% | 2.6% | 3.1% | 2.5% | | | | | | |
| | 2020 | | | | | | | | | | | | |
| | J | F | M | A | M | J | J | A | S | O | N | D | |
| AFM | -0.3% | -8.2% | -11.2% | 14.0% | 5.4% | 1.4% | 5.7% | 7.1% | -3.9% | -2.4% | 11.1% | 3.9% | \$180'697 |
| SPX | -0.2% | -8.4% | -12.5% | 12.7% | 4.5% | 1.8% | 5.5% | 7.0% | -4.0% | -2.7% | 10.8% | 3.7% | |
| | 2021 | | | | | | | | | | | | |
| | J | F | M | A | M | J | J | A | S | O | N | D | |
| AFM | -0.3% | 2.5% | 4.6% | 5.4% | 0.7% | 2.3% | 2.1% | 3.0% | -4.5% | 6.5% | -0.8% | 4.6% | \$254'117 |
| SPX | -1.1% | 2.6% | 4.2% | 5.2% | 0.6% | 2.2% | 2.3% | 2.9% | -4.8% | 6.9% | -0.8% | 4.4% | 1.75% |
| | 2022 | | | | | | | | | | | | |
| | J | F | M | A | M | J | J | A | S | O | N | D | |
| AFM | -5.3% | -2.9% | 3.7% | -8.7% | 0.3% | -8.2% | 9.3% | -4.0% | -9.2% | 8.3% | 5.9% | | \$393'121 |
| SPX | -5.3% | -3.1% | 3.6% | -8.8% | 0.0% | -8.4% | 9.1% | -4.2% | -9.3% | 8.0% | 5.4% | | 1.76% |
| outperform | | | | | | | | | | | | 2019 - 2022 | Cumulative contribution |
| underperform | | | | | | | | | | | | | \$824'921 |
| | | | | | | | | | | | | | 11.00% |

Performance figures depend on the base used for their calculation.

Annual performance figures are not the sum of 12 monthly figures.

Using AFM

Standard setup

Accounts are separated into 2 categories:

1. A **Master Account** to which AFM has no access,
2. A number (usually 3-6) of **Sub-accounts**,

AFM configures the sub-accounts and launches the procedure.

| Master account | |
|----------------|------|
| sub-accounts | 1 |
| | 2 |
| | 3 |
| | 4 |
| | etc. |

.... other

The investor retains full ownership of his accounts at all times.

- AFM's objective is to outperform an index of choice over time.
- The AFM website provides detailed information not generally available on the broker website.
- Investors can follow the performance of their portfolios in real time (or over time).

Fees

Investors pay a monthly oversight fee depending on the sub-accounts' net worth.

No performance commissions or other expenses are charged.

Nor are termination charges applied.

AFM does not share in broker commissions or other retro-commission arrangements.

Contact

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